



OFFICE OF ARTS & CULTURE
SEATTLE

Memo

To: Nick Licata
From: Randy Engstrom
Date: March 12, 2014
Subject: Background on Arts Account Fiscal Policy Resolution

In September 2011, Resolution 31327 established financial policies for the Arts Account Fund, and required that the Office of Arts & Culture provide updates and make recommendations or amendments to the policies where appropriate. The policy in the original Resolution contains a contradiction which this revised policy will remove.

The original Resolution established a minimum reserve fund balance of 8%, which calculated to \$400,000 for year 2011. The new revised policy clarifies the reserve amount to be established at \$400,000 (rather than both 8% and \$400,000), and that this amount will be adjusted annually by CPI beginning with the 2016 budget.

This update provides a small but necessary clarification to the current financial policy for the Arts Account, and at the same time, does not interfere with the intent for the use of these funds as outlined in Seattle Municipal Code Section 5.40.120. This adjustment will allow the Office of Arts & Culture to provide funding for arts-related programming into the future.

Thank you for your consideration of this Resolution. If you have any questions, please contact Jane Morris, Finance Manager (4-8362).

CC: Sara Belz, Greg Shiring

Randy Engstrom, Director | Ed Murray, Mayor

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